(c) how many insurance claims in rural areas were settled during the year 2003 and 2004; and

(d) whether the claim procedures are simplified and the instructions thereto are also in the language of the state concerned, in addition to English/Hindi as the rural population are comparatively less educated?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) During 2004-05, the premium underwritten by the life and non-life insurers in the rural sector is as under:

(Rs. in crores)

Insurers	Total Premium	Premium from Rural Areas Life	Rural Premium as %age of total premium
Private Sector	5556.94	150.93	2.72
LIC	19785.93	2037.11	10.29
Total	25342.88	2188.04	8.63
		Non-Life	
Private Sector	3562.93	249.94	7.02
Public Sector	13985.28	1117.74	7.99
Total	17548.21	1367.68	7.79

(c) The Insurance Companies collect data on number of claims settled during a particular period. However, there is no regulatory practice of collecting data on insurance claims settled in rural areas.

(d) According to the Insurance Regulatory and Development Authority (Policyholders' Interests) Regulations, 2002 claim procedures and documentation requirement are to be communicated to policyholders in an understandable language. As such, the insurance companies do use local language for communicating with the policyholders.

New provision in Income Tax law for savings

161. SHRI LALIT SURI: Will the Minister of FINANCE be pleased to state:

(a) whether, in view of the new provision made in the Income Tax law that savings upto one lakh of rupees be reduced from the total income, Government propose to allow the investors, option to make total investment of savings in accounts like PPF etc.; and

(b) if so, by when the suitable amendments of related rules are likely to be made?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No Sir. The deposit ceiling under Public Provident Fund (PPF) Scheme continues to be Rs. 70,000/- per annum. There is no proposal to enhance this ceiling.

Poor Services of State Bank of Patiala, Karnal

162. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Bank of Patiala has a branch extension counter in the premises of National Dairy Research Institute, Karnal, Haryana;

(b) if so, whether it is also a fact that the bank is totally understaffed with the result that the existing staff do not render satisfactory and courteous service to the bank's clients, particularly the young scientists of NDRI, causing a lot of inconvenience to them; and

(c) if so, what measures are proposed to be taken to enhance the staff-strength of the bank and ensure prompt and proper service to the bank's clients?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) and (c) As reported by the State Bank of Patiala (SBP) adequate staff has been provided at the branch. The branch recently introduced a new software i.e. Core Banking Solutions (CBS). As the software is new, there were some problems in its day-to-day functioning. The system has since stabilized and at present there is no problem. In order to ensure prompt and courteous service, the officials of the Bank hold meetings with the officials of National Dairy Research Institute (NDRI). The Director, NDRI has expressed satisfaction over the services rendered by the Branch.